

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-03476A
Aubrey Water Company
PO Box 961089
Ft. Worth, TX 76161-0089

A

ANNUAL REPORT

ARIZONA CORPORATION
COMMISSION

RECEIVED
APR 15 2003

FOR YEAR ENDING

12	31	2002
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FOR COMMISSION USE

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*Entered
4/30/03
C.M.*

OK

COMPANY INFORMATION

Company Name (Business Name) BN Leasing dba Aubrey Water Company

Mailing Address PO Box 961089
(Street)

Fort Worth Texas 76161-0089
(City) (State) (Zip)

817-352-3415

817-352-3434

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address

Local Office Mailing Address PO Box 65646
(Street)

Tucson AZ 85728
(City) (State) (Zip)

520-275-2236 520-615-7704
Local Office Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address

MANAGEMENT INFORMATION

Management Contact: James O'Neil AVP Property and Facilities Mgmt
(Name) (Title)

2500 Lou Menk Drive **Fort Worth** **TX** **76131**
(Street) (City) (State) (Zip)

817-352-6462 **817-352-7115**
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address James.Oneil@bnsf.com

On Site Manager: Richard S. Williamson
(Name)

PO Box 65646 **Tucson** **AZ** **85728**
(Street) (City) (State) (Zip)

520-275-2236 **520-615-7704**
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address richwmson@theriver.com

Statutory Agent: CT Corporation System

(Name)

3225 N Central Avenue

Phoenix

AZ

85012

(Street)

(City)

(State)

(Zip)

602-277-4792

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Attorney: Jeffrey Crockett, Snell & Wilner

(Name)

One Arizona Center

Phoenix, AZ 85004-0001

(Street)

(City)

(State)

(Zip)

602-382-6234

602-382-6070

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ **Sole Proprietor (S)**

XX C Corporation (C) (Other than Association/Co-op)

☐ **Partnership (P)**

☐ **Subchapter S Corporation (Z)**

☐ **Bankruptcy (B)**

☐ **Association/Co op (A)**

☐ **Receivership (R)**

☐ **Limited Liability Company**

☐ **Other (Describe)** _____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ **APACHE**

☐ **COCHISE**

☐ **COCONINO**

☐ **GILA**

☐ **GRAHAM**

☐ **GREENLEE**

☐ **LA PAZ**

☐ **MARICOPA**

☐ **MOHAVE**

☐ **NAVAJO**

☐ **PIMA**

☐ **PINAL**

☐ **SANTA CRUZ**

XX YAVAPAI

☐ **YUMA**

☐ **STATEWIDE**

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements			
307	Wells and Springs	108,620	31,348	77,272
311	Pumping Equipment			
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	221,567	221,567	0
331	Transmission and Distribution Mains			
333	Services			
334	Meters and Meter Installations			
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	42,987	8,598	34,389
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	373,174	261,513	111,561

This amount goes on the Balance Sheet Acct. No. 108 

NOTE: Detail on older improvements not available due to age of system and fact tht infrastructure is totally depreciated.

COMPANY NAME **AUBREY WATER COMPANY**

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements			
307	Wells and Springs	108,620	10%	10,862
311	Pumping Equipment			
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	221,567	Totally Depreciated	0
331	Transmission and Distribution Mains			
333	Services			
334	Meters and Meter Installations			
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	42,987	10%	4,299
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	373,174		15,161

This amount goes on Comparative Statement of Income and Expense _____
Acct. No. 403.

COMPANY NAME	AUBREY WATER COMPANY
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BALANCE SHEET

Acct. No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$	\$
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable		
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$	\$
	FIXED ASSETS		
101	Utility Plant in Service	\$ 373,174	\$ 373,174
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	252,667	267,828
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 120,507	\$ 105,346
	TOTAL ASSETS	\$ 120,507	\$ 105,346

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITES		
231	Accounts Payable	\$	\$
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	4,350	4,250
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$ 4,350	\$ 4,250
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$	\$
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$	\$
	TOTAL LIABILITIES	\$ 4,350	\$ 4,250
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 1,000	\$ 1,000
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings	115,157	100,096
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 116,157	\$ 101,096
	TOTAL LIABILITIES AND CAPITAL	\$ 120,507	\$ 105,346

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 105,267	\$ 110,880
460	Unmetered Water Revenue		
474	Other Water Revenues		
	TOTAL REVENUES	\$ 105,267	\$ 110,880
	OPERATING EXPENSES		
601	Salaries and Wages	\$ **	\$ **
610	Purchased Water		
615	Purchased Power	*	*
618	Chemicals	894	**
620	Repairs and Maintenance	37,328	28,302
621	Office Supplies and Expense	4,714	**
630	Outside Services	40,672	72,000
635	Water Testing	2,200	**
641	Rents	**	**
650	Transportation Expenses	12,142	**
657	Insurance – General Liability	**	**
659	Insurance - Health and Life	**	**
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	**	**
403	Depreciation Expense	15,161	15,161
408	Taxes Other Than Income	7,747	7,607
408.11	Property Taxes	6,096	6,551
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$126,954	\$129,351
	OPERATING INCOME/(LOSS)	\$(21,687)	\$(18,471)
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	TOTAL OTHER INCOME/(EXPENSE)	\$	\$
	NET INCOME/(LOSS)	\$(21,687)	\$(18,471)

*Unitized with affiliated company. Not available for this system separately.

**Included in outside services contract.

COMPANY NAME	AUBREY WATER COMPANY
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SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	NONE			
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate				
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End	\$
--	----

Meter Deposits Refunded During the Test Year \$

System has been replacing old meters at no cost to customers.

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (Gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-627275	30	200	400	16	4	1940
55-627276	30	200	400	16	4	1940

- Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
NA		

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
30 HP	3	9	5
15 HP	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
30,000	1	3000	1
210,000	1		

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2	PVC	3560
3		
4	PVC	9600
5		
6	PVC	1800
8		
10		
12		
1 – 2 ½ in.	Galv	14580
4-6 in.	CIP	15600

CUSTOMER METERS

Size (in inches)	Quantity
<u>5/8 X ¾</u>	235
<u>3/4</u>	
<u>1</u>	2
<u>1 1/2</u>	3
<u>2</u>	4
<u>Comp. 3</u>	
<u>Turbo 3</u>	
<u>Comp. 4</u>	
<u>Tubo 4</u>	
<u>Comp. 6</u>	
<u>Tubo 6</u>	

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT: 3 chorinator injection pumps & storage tanks

STRUCTURES: 2 pump buildings and 1 storage building

OTHER:

COMPANY NAME: AUBREY WATER COMPANY

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2002

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	235	2310220	3314200
FEBRUARY	235	2490480	3343400
MARCH	235	2065880	4447300
APRIL	235	2608550	5016300
MAY	235	3580130	6443300
JUNE	235	4077880	6856200
JULY	235	4597048	7749100
AUGUST	235	4502210	6114400
SEPTEMBER	235	4654220	5905900
OCTOBER	235	3396700	4915100
NOVEMBER	235	3011610	4246700
DECEMBER	235	2841330	3924580
TOTAL		N/A	62276480

40136258

Is the Water Utility located in an ADWR Active Management Area (AMA)?

() Yes (x) No

Does the Company have An ADWR Gallons Per Capita Per Day (GPCPD) requirement?

() Yes (x) No

If yes, provide the GPCPD amount: NA

What is the level of arsenic for each well on your system. <0.05 mg/l

(If more than one well, please list each separately)

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME _____ AUBREY WATER COMPANY ____ YEAR ENDING 12/31/2002

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2002 was: \$ _____ **6551.16** _____

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

COMPANY NAME____AUBREY WATER COMPANY_____ **YEAR ENDING 12/31/2002**

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported _____None_____
Estimated or Actual Federal Tax Liability _____

State Taxable Income Reported _____
Estimated or Actual State Tax Liability _____

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances _____
Amount of Gross-Up Tax Collected _____
Total Grossed-Up Contributions/Advances _____

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

SIGNATURE

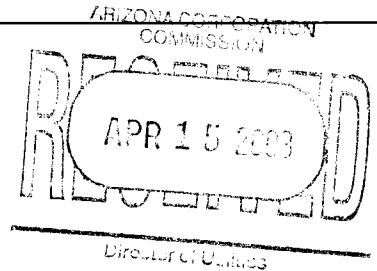
DATE

PRINTED NAME

TITLE

NOT APPLICABLE – NONE COLLECTED

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**



VERIFICATION

STATE OF _____
I, THE UNDERSIGNED
OF THE _____

COUNTY OF (COUNTY NAME)
NAME (OWNER OR OFFICIAL) TITLE
COMPANY NAME

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2002

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2002 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 110,880

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ _____
IN SALES TAXES BILLED, OR COLLECTED

****REVENUE REPORTED ON THIS PAGE MUST
INCLUDE SALES TAXES BILLED OR
COLLECTED. IF FOR ANY OTHER REASON,
THE REVENUE REPORTED ABOVE DOES NOT
AGREE WITH TOTAL OPERATING REVENUES
ELSEWHERE REPORTED, ATTACH THOSE
STATEMENTS THAT RECONCILE THE
DIFFERENCE. (EXPLAIN IN DETAIL)**

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 14th DAY OF

(SEAL)

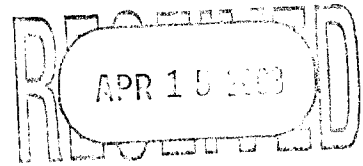
MY COMMISSION EXPIRES 10/25/03

SIGNATURE OF OWNER OR OFFICIAL
817-352-6468
TELEPHONE NUMBER

COUNTY NAME	Tarrant	
MONTH	April 20 43	
SIGNATURE OF NOTARY PUBLIC		TAMMY K. HERNDON Notary Public STATE OF TEXAS My Comm. Exp. 10/25/2003

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**

ARIZONA CORPORATION
COMMISSION



VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

(COUNTY NAME)	
NAME (OWNER OR OFFICIAL)	TITLE
COMPANY NAME	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2002

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.


SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2002 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES
\$ <u>110,880</u>

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ _____
IN SALES TAXES BILLED, OR COLLECTED

***RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.**


SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME

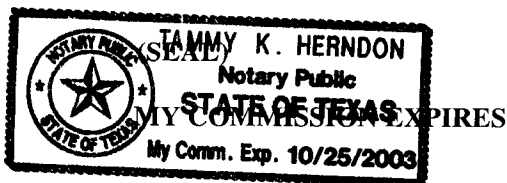
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

14th

DAY OF

NOTARY PUBLIC NAME <u>Tammy K. Herndon</u>	
COUNTY NAME <u>Tarrant</u>	
MONTH <u>April</u>	20 <u>03</u>



X 
SIGNATURE OF NOTARY PUBLIC

01 000 0507239		BNSF VENDOR CORP		13320967	
INVOICE NUMBER	AMOUNT	DISC.	NET AMOUNT		
AUDREYWATER2002	3,384.16	.00	3,384.16		
TOTALS		3,384.16	.00	3,384.16	

BNSF BURLINGTON NORTHERN SANTA FE RAILROAD COMPANY

YAVAPAI COUNTY TREASURER
255 EAST GURLEY STREET
PRESCOTT AZ 86301

TO THE ORDER OF

Linda J. Hunt
AUTHORIZED SIGNATURE

HARRIS BANK, ROSELLE, ROSELLE, ILLINOIS

13320967 0719155801 04 199 503 4

DESCRIPTION	AMOUNT	DISC.	NET AMOUNT
AUBREY WATER DIST	3,167.00	.00	3,167.00
TOTALS	3,167.00	.00	3,167.00

Post-it® Fax Note

7671

Date <u>2/24/03</u>	# of pages <u>2</u>
To <u>Rich Williamson</u>	From <u>Judy Greenwood</u>
Co./Dept.	Co.
Phone #	Phone <u>817-352-3415</u>
Fax #	Fax #

VP0504



YAVAPAI COUNTY TREASURER
255 EAST GURLEY STREET
PRESCOTT AZ 86301

Ende J. Hunt

AUTHORIZED SIGNATURE

HARRIS BANK, ROSELLE-ROSELLE ILLINOIS

13188553 10719155801 04 199 503 4

BNSF



JUDY A. GREENWOOD
Director of Taxes

Burlington Northern Santa Fe

2500 Lou Menk Drive
PO Box 961089
Fort Worth, TX 76161-0089

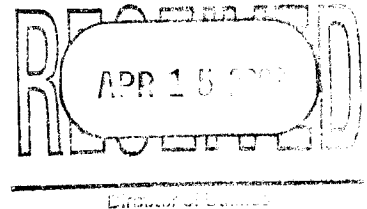
Direct Line: (817) 352-3415
Facsimile: (817) 352-3434
Email: judy.greenwood@bnsf.com

EXPRESS MAIL (EV 091278043 US)
RETURN RECEIPT REQUESTED

April 14, 2003

Compliance Section
Utilities Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, AZ 85007

ARIZONA CORPORATION
COMMISSION



RE: Burlington Northern Leasing Company (dba Aubrey Water Company)

Dear Sir or Madam:

We are enclosing the Annual Report for Aubrey Water Company for the year ending December 31, 2002.

If you have any questions, please do not hesitate to contact me by phone or email.

Sincerely,

Judy Greenwood